

RESOLUTION NO. 2014- 25 -CL
TIPPECANOE COUNTY COUNCIL
FOR THE DESIGNATION
OF AN ECONOMIC REVITALIZATION AREA

APPLICATION
OF VOESTALPINE ROTEC INC

CONFIRMATORY RESOLUTION

WHEREAS, the Tippecanoe County Council has been requested by **voestalpine Rotec Inc** (Applicant), to find, pursuant to Indiana Code §6-1.1-12.1-2, that the real estate identified as Tax Parcel Numbers 79-11-12-300-007.000-031 and 79-11-12-401-009.000-031, including that portion more fully described as 52 South Industrial Sd Lot 3 & Pt N SE Sec 12 Twp 22 R4 1.788 A, as depicted and described on Exhibit A, attached hereto, is an Economic Revitalization Area; and

WHEREAS, on September 9, 2014, the Tippecanoe County Council adopted a Declaratory Resolution for the designation of the real estate described above as an Economic Revitalization Area pursuant to Resolution 2014-16-CL; and

WHEREAS, notice of the adoption and substance of such Declaratory Resolution was published in the Lafayette Journal & Courier and Lafayette Leader pursuant to Indiana Code §6-1.1-12.1 and Indiana Code chapter 5-3-1, such publication being at least ten (10) days before the date set for a public hearing on such resolution; and

WHEREAS, the application for designation, a description of the affected area, a map of the affected area, and all pertinent supporting data were available for public inspection in the office of the Tippecanoe County Assessor and the Tippecanoe County Auditor; and

WHEREAS, the Tippecanoe County Council, following the adoption of the Declaratory Resolution, set a public hearing on the Resolution for October 14, 2014, at 8:30 am, in the Tippecanoe Room of the Tippecanoe County Office Building, Lafayette, Indiana.

WHEREAS, notice of such public hearing was published in the Journal & Courier and Lafayette Leader in accordance with Indiana Code chapter 5-3-1, such publication being at least ten (10) days before the date set for such public hearing; and

WHEREAS, at such meeting, the Tippecanoe County Council afforded an opportunity to all persons and organizations, including representatives of organizations, to express their views with respect to the proposed designation of the real estate as an Economic Revitalization Area; and

WHEREAS, the Tippecanoe County Council, after conducting such public hearing, has given careful consideration to all comments and views expressed and any evidence presented regarding the designation of such real estate as an Economic Revitalization Area.

NOW, THEREFORE, BE IT RESOLVED, that after conducting such public hearing, the Tippecanoe County Council confirms certain findings made in the Declaratory Resolution for designation of the real estate described above as an Economic Revitalization Area, and makes certain further findings concerning the period during which the owners of property within the designated area shall be entitled to certain deductions, as follows:

1. The property described in Exhibit A is located within the jurisdiction of Tippecanoe County for purposes of Indiana Code §6-1.1-12.1-1.2.
2. This County Council has determined, based on information provided by the Applicant, that the property has become and remains an area undesirable for, or impossible of, normal development and occupancy because of a cessation of growth, deterioration of improvements, age, obsolescence, and other factors which have impaired values and prevented a normal development of the property.
3. The Applicant, **voestalpine Rotec Inc.**, has under consideration the installation of new manufacturing equipment to be used on such property.
4. The proposed projects, through the generation of jobs, will promote normal development and occupancy.
5. The information set forth in the application filed by the Applicant establishes that the subject property complies with the general standards for designation of an Economic Revitalization pursuant to Indiana Code §6-1.1-12.1-2 within the jurisdiction of the Council.
6. The installation of manufacturing equipment to be used therein would benefit and enhance the welfare of all citizens and taxpayers of Tippecanoe County, and specifically:
 - (1) The estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature and the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type.
 - (2) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment and rehabilitation and the proposed installation of the new manufacturing equipment.
 - (3) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation and the proposed installation of new manufacturing equipment.
 - (4) The number of individual opportunities for employment, both temporary and permanent, and the compensation to be paid to employees, along with the value of the acquisition and construction of improvements, create benefits of the type and quality anticipated by the County Council within the economic revitalization area and can reasonably be expected to result from the proposed described redevelopment or rehabilitation and the proposed installation of new manufacturing equipment.
 - (5) The totality of benefits is sufficient to justify the deductions.
7. The subject property is zoned I (industrial), according to the Tippecanoe County Zoning maps.

8. The designation of the subject property as an Economic Revitalization Area will assist in the inducement of a project which will provide employment opportunities to residents of Tippecanoe County and will provide long-term benefits to the tax base of Tippecanoe County.

9. No written remonstrance has been filed with the County Council either prior to or during the above-referenced public hearing on the subject application for designation.

10. That **voestalpine Rotec Inc** (Applicant) should be entitled to the deductions for the assessed value of **new manufacturing equipment** installed in such Economic Revitalization Area over a period of **seven (7) years** in accordance IC 6-1.1-12.1-4.5 and 17 under the following abatement schedule:

Year 1	100%
Year 2	85%
Year 3	71%
Year 4	57%
Year 5	43%
Year 6	29%
Year 7	14%

NOW, THEREFORE, BE IT ALSO RESOLVED by the Common Council of Tippecanoe County, Indiana, that the property herein above described should be and is hereby declared to be an Economic Revitalization Area as that term is defined in Indiana Code sections 6-1.1-12.1-1 through 6-1.1-12.1-6 from the date that an application is filed by the owner of real estate or new manufacturing equipment located within such area requesting a deduction for assessed value pursuant to either Indiana Code §6-1.1-12.1-5 or 6-1.1-12.1-5.5 through and including **December 31, 2023**. Provided, however, that the application must be filed within three (3) years from the date of this resolution's passage. This limitation is established pursuant to Indiana Code §6-1.1-12.1-2(h).

BE IT ALSO RESOLVED, that **voestalpine Rotec Inc** (Applicant) be entitled to the deductions for the assessed value of **new manufacturing equipment** installed in such Economic Revitalization Area over a period of over a period of **seven (7) years** in accordance IC 6-1.1-12.1-4.5 and 17 under the following abatement schedule:

Year 1	100%
Year 2	85%
Year 3	71%


Year 4	57%
Year 5	43%
Year 6	29%
Year 7	14%

BE IT ALSO RESOLVED, that if any part, parts, clause or portion of this Resolution shall be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not effect the validity or unconstitutionality of this Resolution as a whole or any other part, clause or portion of the Resolution.


BE IT FINALLY RESOLVED, that by adoption of this Resolution, the Tippecanoe County Council does confirm its Declaratory Resolution approved on September 9, 2014, which designates the real estate described above as an Economic Revitalization Area.

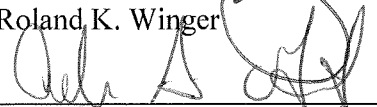
Presented to the County Council of Tippecanoe County, Indiana, and adopted this 12th day of November, 2014.

TIPPECANOE COUNTY COUNCIL


David R. Williams



John R. Basham, II


Roland K. Winger

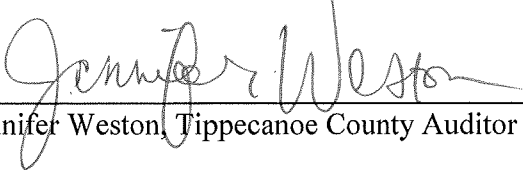

Andrew S. Gutwein


Jeffrey A. Kemper


Bryan Metzger


Kevin Underwood

ATTEST:



Jennifer Weston, Tippecanoe County Auditor

2014-09-08 - Confirmatory Resolution ERA and Equipment _mtd.doc

APPLICATION

For Consideration for Designation as an

Economic Revitalization Area

Tippecanoe County, Indiana

General Information

APPLICATION IS FOR: (CHECK ONE OR BOTH)

☐ Improvements to real estate: Schedule Requested: ☐ 3 Year ☐ 6 Year ☐ 10 Year ☐ Other

☒ New manufacturing equipment: Schedule Requested: ☐ 5 Year ☒ 7 Year ☐ 10 Year ☐ Other

Applicant

1. Name of applicant voestalpine Rotec, Inc.
2. Is the applicant the property owner? ☐ Yes ☐ If not, please indicate the relationship of the applicant to the property owner: _____
3. Business address of applicant 3709 US 52 South, Lafayette, IN 47905
4. Telephone/Fax of applicant Tel 765-471-2808; fax 765-471-8607
5. Agent of applicant (if any) _____
Address of agent _____
Telephone/Fax of agent _____
Relationship of agent to applicant _____

Property Description

6. Address of property 3709 US 52 South, Lafayette, IN 47905
7. Legal description and survey of property proposed for designation (attach map of proposed property) Already in an ERA
8. Township WEA
9. Real Estate Key Number(s) (79-11-12-300-007.000-031) & (79-11-12-401-009.000-031)
Personal Property Key Number(s) _____
10. Current property status
- (a) How is the real estate presently used? manufacturing
- (b) What structures, if any, are on the real estate? manufacturing facility
- (c) What is the general condition of improvements to the real estate, if any? NA
- (d) Will there be any demolition of historic properties? No
11. Current zoning designation I3
12. Current assessed value of the real estate
- (a) Land \$558,200 - Combined _____
- (b) Improvements \$2,974,400 _____
13. Amount of total property taxes owed in the immediate past year \$83,932 _____

Project Description

14. Description of proposed improvements

(a) Real estate None

(b) Manufacturing equipment (include date of purchase, cost, and federal tax life)

Advanced manufacturing equipment and robotics to form and machine complex
airbag and air suspension components.

15. Development time frame

(a) When will physical aspects of development or rehabilitation begin?

NA

(b) When is completion of improvements expected? May 2015

16. Estimated cost of proposed improvements (not including land costs)

(a) Structural improvements \$ None

(b) New manufacturing equipment \$ \$4,000,000

17. Will this project require approval of a rezoning, plat, development plan, vacation, variance, special exception, or contingent use prior to the issuance of an Improvement Location Permit?

No If yes, describe _____

18. What environmental impact will be created by this project? None

(a) What permits are required? None

19. Will any additional infrastructure be necessitated for this project? No If yes, describe

20. Who will be required to pay for the additional infrastructure? NA

21. Will this project complement existing business? ☐ No ☐ If yes, describe _____

22. Will this project be in competition with existing business? ☐ No ☐ If yes, describe _____

23. What effect will the project have on the local housing market? ☐ None _____

24. Will the project include the rehabilitation or redevelopment of existing structures? ☐ No ☐ If yes, please explain _____

25. Undesirability for normal development:

Please describe why this property meets the Indiana Code (I.C. 6-1.1-12.1-1) definition for an Economic Revitalization Area (ERA) ["(1)...which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. ...also: ...

(A) any area where a facility or group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and

(B) a residentially distressed area, ...]

26. Does this project involve any other special tax treatments or financing such as grants, low interest loans, etc.? ☐ No _____

27. Has the applicant ever applied for or benefited from tax abatement in any other project in Lafayette or elsewhere? ☐ Yes ☐ Describe: ☐ Real Estate expansions and personal property expansions

28. Has financing for this project been approved? ☐ Yes ☐ Describe: _____

29. What is the impact of this project on the surrounding area? ☐ good ☐ Describe: _____

30. Has any work begun or any equipment been ordered? ☐ Yes ☐ Describe: Orders for machinery were placed in Feb 2014 but due to Tornado abatement application was not possible.

Community Objectives

31. What are the estimated COIT (County Option Income Tax) and CEDIT (County Economic Development Income Tax) incomes that will be generated for the benefit of the community?

32. How will the proposed designation further the economic development objectives of the community?

(a) Will the designation improve the utilization of vacant or underutilized land currently zoned for business or industrial use or designated as appropriate for business or industrial development in the Tippecanoe County Comprehensive Plan? (explain)

 No

(b) Will the designation encourage the improvement of a deteriorated structure or the replacement of an obsolete structure? No If yes, please explain

(c) Will the project affect a historically or architecturally significant structure? No If yes, please explain

(d) Will the designation assist in the inducement of a project providing substantial employment opportunities relative to the value of the improvements to be made and/or the new manufacturing equipment to be installed? (explain) Yes , create new jobs now and maintain existing jobs through investment in new equipment.

(e) Will the designation assist in the inducement of a project which would provide long-term benefits to the tax base of the community warranting granting of the annually decreasing percentage of property tax abatement as provided in Indiana Law (explain) Yes , new personal property.

Employment

33. Estimate the number of jobs as a result of the completed project

Retained Jobs

Job Type	Estimated Number of Jobs	Entry Level Wage	Average Wage	Maximum Wage
Unskilled				
Semi-skilled				
Skilled				
Non-Production Clerical				
Non-Production Exempt				

Note: Retained jobs are jobs that would otherwise be eliminated or phased out if the project is not approved.

New Jobs

Job Type	Estimated Number of Jobs	Entry Level Wage	Average Wage	Maximum Wage
Unskilled				
Semi-skilled	10	\$17/hr		\$23/hr
Skilled	3	\$28/hr		\$38/hr
Non-Production Clerical				
Non-Production Exempt	2	\$60,000		\$85,000

34. Total Estimated jobs at this site __ 15 new, 105 existing _____

35. Anticipated time frame for reaching employment level? __ June 2015 _____

36. In what kind of work will the employees be engaged? _____

__ Production and support roles for manufacturing of automotive components _____

37. Will Company provide Health Benefits to employees? __ Yes _____

What percent will be paid by the company? __ 90% _____

38. Will Company provide Retirement Benefits to the Employees? __ Yes 401 (k) _____

What percent will be paid by the company? __ Up to 4% of gross _____

39. What other company-provided benefits will be available to the employees? _____

____ Paid vacation, long term disability, vision and dental _____

40. Will the Applicant use labor from the "local economic region" for construction? (local economic region is defined as Tippecanoe County and the surrounding seven counties) If not, why?

____ Yes _____

41. Does the business meet the criteria of creating/maintaining "basic jobs"? (Basic jobs are jobs that are supported primarily by dollars generated outside of the economic region.) _____

____ Yes _____

42. How do wages compare to the Tippecanoe County Average? (Data derived from "Covered Employment and Payrolls" from the Indiana Department of Workforce Development Labor Market Information) _____ Average wage of current employees are \$68,000

Filing of this application constitutes a request for Economic Revitalization Area designation only and does not constitute an automatic deduction of property taxes. I understand that it is the responsibility of the property owner to file the appropriate abatement forms with the Tippecanoe County Auditor. I hereby certify that the information and representations of this application are true and complete.

Signature(s) of Applicant(s)

7/27/2014

Date